

Service Date: May 15, 1979

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

In the Matter of the Application)
of the CITY OF HELENA for author-) DOCKET NO. 6671
ity to adjust water rates for low)
income, elderly and/or handicapped) ORDER NO. 4513
water users.)

APPEARANCES

For the Applicant:

James M. Driscoll, Attorney at Law, P.O. Box 534, Helena,
Montana 59601.

For the Commission:

Eileen E. Shore, Counsel.

Before:

Commissioners Gordon E. Bollinger, Chairman; Clyde Jarvis,
Thomas J. Schneider, James R. Shea, and George Turman.

On March 29, 1979, the City of Helena notified the Public Service Commission of its desire to provide an adjustment in water bills for low-income and elderly and handicapped persons because of the extended cold weather and the necessity for those individuals to leave their water run to keep water pipes from freezing.

On April 4, 1979, Commission staff counsel Robert F. W. Smith informed City Attorney James Driscoll that the affected public must be allowed opportunity for hearing prior to Commission action on the City's proposal.

On April 16, 1979, the City requested the Commission to set

the matter for hearing. A hearing date of May 15, 1979, was set for consideration of the matter. A hearing was held on May 15, 1979, following proper notice. No protestants appeared.

FINDINGS OF FACT

1. The City of Helena has requested that the Commission approve a one time adjustment of the water bills of low income elderly and handicapped water users.

2. The adjustment is for water bills rendered for the February and March, 1979 billing cycle.

3. The adjustment is a credit for bills in excess of \$10.

4. The criteria for those qualifying for the adjustment is derived from the qualification criteria of the State of Montana Class 15 property tax classification (15-6-116, MCA). This criteria is used for numerous state and local government programs.

5. The purpose of this proposal is to eliminate the hard ship for low-income elderly persons and low-income handicapped persons associated with running their water during periods of extended cold weather.

6. The City of Helena requested in the media that its water users keep their water running to prevent water service lines and mains from freezing.

7. Compliance with the City's request placed an unexpected expense on its water users, in the form of higher

than normal water bills.

8. An adjustment for bills over \$10.00 reasonably reflects water use due to the City's request that users keep their water running.

9. The City's proposed qualification for the adjustment noted above requires that qualifying users verify that they kept their water running to prevent water lines from freezing.

10. Testimony was received that grant of the adjustment requested will not change present water rates approved by the Commission, except as proposed by the adjustment.

11. Unexpected expenses for basic water service affects low income elderly and low-income handicapped persons more substantially than other classes of Helena water users, and can operate as a substantial hardship on these individuals.

12. The City's effort to alleviate the hardships caused by the severe winter weather in 1979 and its own request that water users keep their water running is laudable and justified by the circumstances.

CONCLUSIONS OF LAW

1. The rate adjustment, as proposed, is reasonable and not unjustly discriminatory.

2. The rate adjustment, as proposed, is based upon a property tax classification currently in effect in Montana. That classification is prima facie lawful and, therefore not unjustly discriminatory.

3. The adjustment, as proposed, does not violate the provisions of 69-3-305, MCA.

4. By keeping their water running during periods of extremely cold weather, low-income elderly and low-income handicapped Helena water users benefited all users of the Helena water system by saving the utility the expense of thawing frozen lines, or replacing lines which had burst because of freezing.

ORDER

The City of Helena is ordered to provide a rate adjustment as proposed in its application in this matter, subject only to an addition that the adjustment is only for the billing period of February and March, 1979.

The foregoing order was adopted by the Public Service Commission of the State of Montana, Department of Public Service Regulation.

DONE IN OPEN SESSION at Helena, Montana this 15th day of May, 1979.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GORDON E. BOLLINGER, Chairman

CLYDE JARVIS, Commissioner

THOMAS J. SCHNEIDER, Commissioner

JAMES R. SHEA, Commissioner

GEORGE TURMAN, Commissioner

ATTEST:

Madeline L. Cottrill

Commission Secretary

(SEAL)

NOTE: You are entitled to judicial review of the final decision in this matter. If no Motion for Reconsideration is filed, judicial review may be obtained by filing a petition for review within thirty (30) days from the service of this order. If a Motion for Reconsideration is filed, a Commission order is final for purpose of appeal upon the entry of a ruling on that motion, or upon the passage of ten (10) days following the filing of that motion. cf. the Montana Administrative Procedure Act, esp. Sec. 2-4-702, MCA; and Commission Rules of Practice and Procedure, esp. 38-2.2(64)-P2750, ARM.